

	Montana Operations Manual	Category	Human Resources
		Effective Date	July 1, 2011
		Last Revised	
Issuing Authority	Department of Administration, State Human Resources Division		
Professional Dues and Licensing and Certification Fees			

I. Purpose

This policy establishes the conditions under which state agencies reimburse employees or directly pay for professional dues and licensing and certification fees.

This policy is applicable retroactive to July 1, 2011.

This policy supersedes Management Memo Volume I, 88, 4-5, dated January 15, 1988.

II. Scope

This policy covers all agencies in Montana's executive branch except the Montana University System, the Montana State Fund, elected officials, personal staff of elected officials, and any other position specifically excluded under 2-18-103 and 2-18-104, MCA. Payment of dues and fees is not precluded for those specifically excepted from this policy.

III. Reimbursement of Required Dues and Fees

A. Required Dues and Fees

If the State requires the employee to have and maintain a professional membership, license, or certificate as a condition of employment, the State shall reimburse the employee or directly pay for the membership, license, or certification fee. For example, professional membership dues include, but are not limited to bar dues for attorneys. Professional licensing fees include, but are not limited to, those of nurses and plumbers. Certification fees include, but are not limited to, those for court reporters and notaries.

B. Discretionary Reimbursement of Dues and Fees

At an agency's discretion, a professional membership, license, or certificate that is **not** a condition of employment, but would be justifiably beneficial to the State, may be reimbursed or directly paid by the State.

C. Non-taxable Dues and Fees

Reimbursement of such dues or fees is non-taxable for the employee provided the provisions of an "accountable plan" are met.

An accountable plan, as defined by the Internal Revenue Service, must adhere to the following:

- Expenses must have a business connection, that is, expenses must have been paid or incurred while performing service as an employee.
- An adequate account of these expenses must be provided within a reasonable period of time.
- Any excess reimbursement or allowance must be returned within a reasonable period of time.

IV. Resources

IRS Publication 15, 5. Wages and Other Compensation